REMARKS

Applicant respectfully requests reconsideration of this application as amended. Claims 2, 4, 5-6, 11-14, 34, and 36-70 are pending in the application. Claims 2, 4-5, 11, 13, 34, 36, 38-44, and 46 have been amended. Claims 1, 3, 7-10, 15-33, and 35 have been canceled without prejudice. New claims 50-70 have been added.

In the final Office Action, the Examiner rejected claim 3 under 35 U.S.C. §112, second paragraph. Claim 3 has been canceled, thus, obviating the rejection.

In the final Office Action, the Examiner rejected claims 1-5, 7-9, 11, 13, and 15 under 35 U.S.C. §103(a) as being unpatentable over Janky et al. (U.S. Patent No. 6,549,942; hereinafter, "Janky") in view of Jones (U.S. Patent No. 6,175,822). Applicant respectfully traverses the rejections. Claims 3, 7-9, and 15 have been canceled without prejudice, thus, obviating the rejection.

Claims 2, 4-5, 11, and 13 have been amended to depend, directly or indirectly, from new claim 61. Applicant respectfully submits that new claim 60 is novel and patentable over Janky in view of Jones for at least the following reason.

Claim 61 sets forth receiving a subsequent portion of the digital media file into the volatile memory via the local area network, wherein **converting** the portion of the digital media file and **receiving** the subsequent portion of the digital media file happens **substantially simultaneously**. In contrast, Janky discloses a storage and playback unit (SPU) with a mass storage component for receiving digital audio from a personal computer (PC) via a serial link. The use of the Janky device entails docking the SPU, triggering download of audio files to the device, undocking the device and then at some later time and place, activating playback of the digital audio. According to Janky:

An SPU 81 is inserted into the SPU docking station 79, and audio and/or text data files, selected from commands to the host PC, are transferred, in compressed or decompressed format, with or without encryption, onto the SPU for present or future playback. The

SPU 81 is carried by the user until the user has an opportunity to playback part or all of the audio and/or text data files on the SPU." (Janky, col. 6, lines 22-28).

Therefore, the device in Janky requires a mass storage device, unlike the present invention as claimed, which does not need a mass storage device for storing the media. Likewise, Jones fails to disclose at least the limitation set forth above. Therefore, claim 61 is novel and patentable over Janky in view of Jones because the combination of Janky and Jones does not disclose every limitation in claim 61.

Since claims 2, 4-5, 11, and 13 have been amended to depend, directly or indirectly, from claim 61, claims 2, 4-5, 11, and 13 are patentable over Janky in view of Jones for at least the reason discussed above with respect to claim 61. Applicant respectfully requests withdrawal of the rejections.

The Examiner rejected claims 6, 14, 21, and 29-33 under 35 U.S.C. §103(a) as being unpatentable over Janky, in view of Jones, further in view of Adair et al. (U.S. Patent No. 6,424,369; hereinafter, "Adair"). Applicant respectfully traverses the rejections. Claims 21 and 29-33 have been canceled without prejudice, thus, obviating the rejection. As to claims 6 and 14, they have been amended to depend, directly or indirectly, from claim 61. Adair fails to disclose at least the limitation of receiving a subsequent portion of the digital media file into the volatile memory via the local area network, wherein **converting** the portion of the digital media file and **receiving** the subsequent portion of the digital media file happens **substantially simultaneously**. For the reason discussed above with respect to claim 61, claims 6 and 14 as amended are patentable over Janky in view of Jones and Adair. Applicant respectfully requests the Examiner to withdraw the rejections.

The Examiner rejected claims 34-49 under 35 U.S.C. §103(a) as being unpatentable over Janky, in view of Jones, further in view of Adair. Applicant respectfully traverses the rejections.

Claims 34-40 have been amended to depend, directly or indirectly, from new claim 68. New claim 68sets forth firmware to control the transfer of the portions of the digital media file into the volatile memory buffer to avoid interruption of media playback. In contrast, none of

Janky, Jones, and Adair discloses such a limitation. As discussed above with respect to claim 61, the use of the Janky device entails docking the SPU, triggering download of audio files to the device, and then undocking the device and at some later time and place, activating playback of the digital audio. Therefore, new claim 68is novel and patentable over Janky, Jones, and Adair. Withdrawal of the rejection is respectfully requested.

For at least the reason discussed above with respect to claim 68, claim 41 as amended is patentable over Janky, Jones, and Adair. Withdrawal of the rejection is respectfully requested.

Claims 42-49 depend, directly or indirectly, from claim 41, and thus, are patentable over Janky, Jones, and Adair for at least the reason discussed above with respect to claim 41. Withdrawal of the rejection is respectfully requested.

New claims 50-70 have been added without introducing any new matter. It is respectfully submitted that the new claims 50-70 are novel and patentable over the references cited. Allowance of the new claims 50-70 is earnestly solicited.

Accordingly, Applicant respectfully submits that the rejections under 35 U.S.C. §112, second paragraph, and §103(a) have been overcome by the amendments and the remarks and withdrawal of these rejections is respectfully requested. It is respectfully submitted that claims 2, 4, 5-6, 11-14, 34, and 36-70 are now in condition for allowance and such action is earnestly solicited.

Please charge any shortages and credit any overcharges to our Deposit Account No. 02-

Respectfully submitted,

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2666.

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12400 Wilshire Boulevard Seventh Floor Los Angeles, CA 90025-1026 (408) 720-8300 I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail with sufficient postage in an envelope addressed to the Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on July 2, 2004.